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Madrid talks end with the Soviets under pressure



Ban on Soviet flights

Bonn Foreign Minister Hans-Dietrich Genscher being questioned by the Press in Madrid after Nato foreign ministers had decided on a ban on civilian flights to the Soviet Union in retaliation for the shooting down of the Korean Boeing 747.

(Photo: AP)

Nobody knows what this compromise will look like.

The Americans are said to be no longer interested in the walk-in-the-woods proposal. As long as there are large numbers of SS 20s around, the Americans insist on a "mix" of Pershing and Cruise missiles.

This, however, can be seen as merely good negotiations tactics for the benefit of the Soviet Union.

If the renunciation of the "mix" were already to be offered as a concession today, the Soviet would immediately be

making the next demand without having budgeted an inch themselves.

Madrid was not just a very small step on the way to "humanitarian improvements" and perhaps a reduction in the trigger-happiness of the Communist side.

The Soviet Union was confronted by international pressure to show a more humane face on the disarmament front. The American position in Geneva has without doubt been strengthened.

Hans-Joachim Nitz

(Frankfurter Neue Presse, 10 September 1983)

Gene Press

Helsinki review conference in Madrid might appear to have been considering that it ended shortly after Russians shot down the Korean Boeing 747.

In this meeting, the latest in the series of improving European security and co-operation, superfluous? In fact, a failure?

West German government in fact has invested a lot of effort in it and is firmly convinced that it will yield results on certain issues which have benefited the Federal Republic in the past and will do so in the future.

As a reference to the improvement in the situation of individuals rather unfeeling in the official language of diplomats as "Basket 3".

Important in this context is the release of families, being able to leave the communist camp altogether or at least released from prison. Many of German or Western European descent driven to the East as a result of the war.

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... of the war wish to go to a land some have never seen. These are sad examples of the state of human rights in the East. Thousands can be helped by real agreements.

... conference in Madrid turned into a farce for the Soviet Union. Not the Western powers but also the states and those sympathising with this cause, among them the Swedish Foreign Minister, wagged the finger of warning at the Soviet Foreign Minister Andrei Gromyko.

... unlikely that a world power at an international conference has ever felt so

... though this will not help the victims of the airliner incident it may indi-

rectly be advantageous for the coming disarmament talks. It may lead to such a condemnation of the shooting down of passenger aircraft that the Soviet Union will not risk such an international outrage a second time.

The reactionary party apparatus in Moscow has not become more humane because of this incident. However, the Soviets are very sensitive to loss of face and international condemnation. This is more painful to them than the cancellation of grain supplies.

The temporary ban on Soviet aircraft in the west and by neutral states is a sanction which should not be underestimated.

As strange as it may sound, during the past week the moral pressure has increased for the Soviet Union to show a more humane face on all fronts, to state its willingness not to shoot down civilian aircraft in future, and above all to present concessions in Geneva.

On the other hand, the moral losers in the West are those who demonstrate for peace and yet have not raised a finger to protest in a "non-violent" way against the Soviet's outrageous act.

West German Foreign Minister Genscher has gained the impression that the Soviets are beginning to modify their position in the question of the British and French deterrents.

However, as he underlines this is not a breakthrough, but only the starting-point for a compromise at a later date.

Genscher steers conference clear of troubled waters



Everyone except Malta agreed on a final document after tough negotiations at the Helsinki conference on security and co-operation held in Madrid. The final document adds a few more points to what was agreed in Helsinki in 1975.

It has now been decided to hold a conference on disarmament in Europe and two conferences on human rights.

The final document adds a few more points to what was agreed in Helsinki in 1975.

The main reason why it didn't was Hans-Dietrich Genscher, the Bonn Foreign Minister. His efforts salvaged the situation on several occasions.

Agreement was reached on the acceptance of free trade unions and religious

groups providing such acceptance is compatible with national laws.

However, national laws in the Soviet sphere of influence are still interpreted according to their usefulness to state interests, i.e. to the Communist party leadership.

Considering the repression of the Polish trade union Solidarity during the consultations in Madrid the result of the conference is a poor and unusual one.

When it comes to human rights, it would seem that the principle of *pacta sunt servanda* in international law, so readily emphasised in the Soviet Union, is no longer valid.

The Soviet interpretation of law accepts this principle up until the time when the international Communist revolution supersedes the type of international law referred to by Moscow as "bourgeois".

The fact that western diplomats ac-

cept the programmed non-fulfilment of the CSCE accords in the Communist "empire" as a given fact is something of which they should be ashamed.

Although there are protests and denunciations, the Soviet delegation knows that in the end the conference swallows everything — even a condemnation of those persons who refer to the acceptance of the Helsinki accords by their own governments and demand the fulfilment of that which has been agreed upon: to be able to leave their countries at will or the renouncing of families which have been torn apart.

Genocide in Afghanistan, the use of the Polish army to maintain "socialist normality" by force against the will of the Polish people in an effort to avoid direct Soviet intervention, and finally the shooting down of a passenger aircraft could not prevent the diplomats of the free world from citing the imaginary spirit of Helsinki as a starting-point for a "policy of détente".

West German Foreign Minister Hans-Dietrich Genscher repeatedly saved the conference from breaking up under the strain of the (in itself healthy) disgust shown by the Americans in the

Continued on page 2

What the Boeing disaster and Soviet reaction mean for East-West talks

How the Soviet Union reacted to the shooting down of a South Korean airliner is likely to have more serious international repercussions than the incident itself.

If the Soviet Union cannot provide firm assurances that similar acts will not be repeated, the loss of trust in international relations will be considerable.

At a time when the Soviet Union and the United States are holding extremely complex negotiations relevant to the se-

Kremlin power struggle and the shooting; international pilots' reaction; page 8.

curity of both sides, mutual trust is essential if agreement is to be reached.

If trust is missing, the resultant hair-splitting means that the problems of controlling and guaranteeing such agreements become overemphasized.

Even if issues, an atmosphere lacking trust can lead to ultimate negotiating failure.

Attention focuses on the character of respective negotiating partners, leaving the issues at stake waiting in the wings.

The question of how valuable negotiations and agreements with the Soviet Union in fact were already thoroughly thought through and rationally "X-rayed" once before by the United States during the Nixon-Kissinger period.

Although Henry Kissinger harbored no illusions about his Soviet negotiating partners he did not view negotiating as an end in itself. What is more, negotiations were not to be seen as merely limited to the specific subject under negotiation.

Kissinger realized that negotiations and agreements were a means of incorporating the Soviet Union in a framework of obligations, thus subjecting Soviet policies to certain constraints. He regarded this a particularly important aspect, since as opposed to democratic countries the lack of free expression of public opinion and corrective forces in Soviet society means that there are no internal constraints to the policies of Soviet governments.

For this reason, Kissinger was even willing to reach agreements which, from the American point of view, contained certain disadvantages, or even allowed for a circumvention of the agreement by the Soviet Union.

During their joint period in office Nixon and Kissinger were able to show certain positive results. The Salt I agreement was signed and sealed and agreement was reached on the Berlin Four-Power Agreement.

However, Kissinger could not offer proof for this theory that a series of in-

ternational agreements would be able to contain Soviet expansionism and bring about restraint in international politics.

The collapse of the Nixon Administration in the wake of the Watergate affair meant that the Soviet Union no longer needed to show the consideration it had shown up to that time. The ensuing crisis not only affected the American government but the whole American nation.

The United States' ability to act had suffered a setback, that of the Soviet Union a disproportionate improvement. Even as Secretary of State, under the transitional President Gerald Ford, Henry Kissinger was not able to continue the line of earlier policies.

Finally, President Carter did not manage to "ensnare" Soviet activities.

He did negotiate a second Salt agreement. However, taking advantage of American difficulties with Iran, the Soviet Union marched into Afghanistan, and President Carter decided not to prevent the Salt agreement to Congress; he sensed defeat.

There was already enormous opposition against Salt II in Congress. It undermined to what extent the Soviet Union had forfeited the minimum of trust imperative for an agreement of such a dimension.

Yet again the question was raised as to the value of agreements with the Soviet Union. The Kissinger period in America's political thinking had come to an end.

Against this background it was only logically consistent for President Reagan to open up his period in office by repeatedly stating that he had no great hopes of reaching reasonable agreements with the Soviet Union.

He even went so far as to claim that the Soviet Union could not be trusted as a negotiating partner, an assertion which re-established a frosty climate in American-Soviet relations.

In many cases, for example in his reaction to the European gas-for-pipeline deal, President Reagan made it clear that he regarded agreements with the Soviet Union as more dangerous than beneficial.

However, Reagan was confronted by

Car workers cheer President Carstens in Yugoslavia



Bonn President Karl Carstens has paid the first visit to Yugoslavia by a German head of state since the war.

The tour reflected the increasing understanding and trust between the Federal Republic and Yugoslavia.

Carstens was greeted with cheers at the TAS motor works in Sarajevo and in Zagreb.

The visit did much more than merely confirm joint achievements in the fields of politics, economics and culture over the past 20 years.

The mood in Belgrade, Sarajevo and Zagreb paved the way for better coope-

ration and closer contacts, particularly in the economic field.

A member of the Volkswagen board of directors confirmed during the visit to the TAS plant in Sarajevo that his company would be making DM100m investment in the car industry in Yugoslavia.

At least for the time being, President Carstens assured Yugoslavia that there are no intentions of edging Yugoslav foreign workers out of West Germany.

The fact that President Carstens was cheered at the TAS works and in the streets in Zagreb, showed that the free part of Germany has more friends in Yugoslavia than expected.

Gustav Chalupa
(Westdeutsche Allgemeine Zeitung,
10 September 1983)

Social justice emerges as budget debate issue

the realisation that Kissinger negotiating with the Soviet Union still very much alive in European interests. It was no Secretary of State Alexander Haig mediate between the two powers.

Above all, the American found itself faced by international commitments. The NATO pact included the United States in the field of medium-range missiles by the Soviet Union not to build up but to reduce its nuclear arms build-up but to see no sense in such a move, however, this approach the Soviet Union realised that the possibility to exert its influence on American policies and European.

Only if the Soviet Union would accept the proposal to gain the leverage it needed to western rearmament.

Furthermore, the United States did not make it clear to its allies that it was willing to consider on medium-range missiles. It was not at the same time that the Soviet Union was to reduce strategic arms.

Ironically as it may seem, the Reagan government, which demonstrated that it had about the attainability of agreements with the Soviet

Union, was up to the business community to disprove the opposition's position that industry would use the money for tax relief to invest in money markets rather than in equipment.

The proposed DM3.5bn tax relief will not be a headache to the coalition such negotiations are guaranteed. The fact that the internal cohesion of the coalition is essential.

A further deterioration in the social sector. At the moment, the government also wants to cut in the social sector.

Many took great offense at the remarks made by President Reagan in his period in office on the thinness of the Soviet Union's military, remarks which seemed to poison the negotiations.

These remarks made it clear that the Soviet Union to cast doubt on the willingness to negotiate when negotiations had finally reached the ground.

However, Soviet policies are in their ability to destroy trust again and again, confirmed by comments of those who criticized the Soviet Union most sharply.

(Der Tagesspiegel, 4 September 1983)

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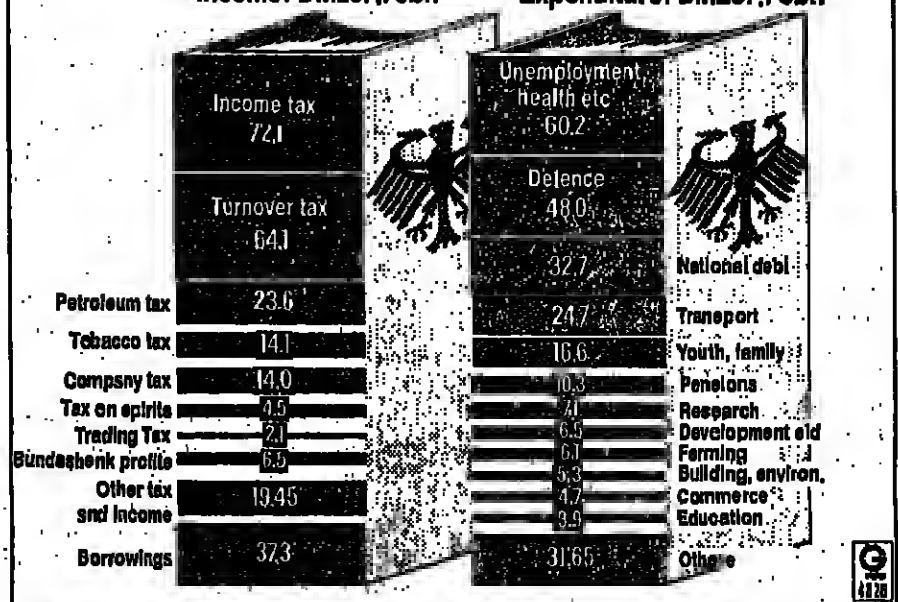
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Balancing the books

Income: DM257,75bn

Drill outline of the 1984 federal German budget

Expenditure: DM257,75bn



such medium-term aims as an improved family policy and tax relief for the working population still has to be created.

And this can only be done by strict adherence to the austerity policy which some economic research institutes regard as not going far enough to have a beneficial effect on the economy any way.

But the wrong decisions of the past 12 years cannot be corrected in one fell swoop.

If the government manages to achieve its fiscal objectives and bring the de-

ficit down to DM22bn in 1987, it cannot fail to boost the economy.

The Bundestag budget committee, which is about to begin its work, could well come up with even better solutions.

In any event, the committee members are determined to reduce spending even more than provided for in the draft budget — and wisely so because there are considerable risks looming, such as additional subsidies for the coal industry and Bonn's commitments in connection with export guarantees.

Fides Krause-Breuer
(Rheinischer Merkur/Christ und Welt,
9 September 1983)

Opposition gives Stoltenberg armchair ride

Qualitative growth to bring about a more meaningful use of energy and raw materials through borrowing is what is needed rather than an abstract, quantitative growth that can ultimately only be achieved through the arms race.

It is this qualitative growth that borrowing could bring about that our children would regard as a blessing. The Social Democrats would have gone on to argue that the only limitation to borrowing and hence fiscal scope is that imposed by interest payments.

But considering the high degree of international interdependence, it is doubtful whether national consolidation measures can widen this scope — especially in view of the enormous deficit in the US budget.

In any event, government and opposition are outdoing each other in assurances of their commitment to a consolidation.

To achieve this, one wants to milk the poor and the other the rich. But if we are to stick with our economic system and put our faith in the forces of the market we cannot afford to put top performers — and hence top earners — at a disadvantage.

Neither of these approaches to trying to make the nation pull itself out of the mire by its own bootstraps stands a chance.

The common aim, i.e. lower interest rates to get the economy off the ground, can be achieved neither by the government's deregulation approach nor by state intervention as demanded by the SPD.

We are hamstrung not only by the high interest rates in the United States but also by the fact that lower interest rates will not necessarily make for more investments.

Business would naturally welcome low interest rates, but the ultimate investment decision depends on sales prospects.

This problem is shared with other Western industrial countries. But the fact that the stain has embarked on a new course of thriftiness everywhere and that wages are declining in real terms makes the hopes pinned on exports and more investments illusory. It's like waiting for Godot.

What remains is domestic consumer demand; but this cannot contribute to an upturn as long as it is crippled by a wrong distribution of wages: the low income groups, where the need is greatest, lack the money with which to create demand. And the groups that have the money lack the need for consumer goods on a broad enough basis to boost the economy.

In most industrial nations, it is affluence rather than neediness that puts the spanner in the works of the economic machinery. The trouble does not stem from a shortage of investments but from an excess relative to profit expectations.

The distribution of wealth issue is therefore more timely today than ever before; but there is nothing of this to be felt in today's SPD — a party traditionally committed on this issue.

There is much ground to be made good in the coming economic debates in the Bundestag.

These debates have for years been marked by monotony and repetition — and that in an era of economic crisis.

It's a long time since anybody came forward with a real alternative.

Rolf-Dietrich Schwartz
(Frankfurter Rundschau, 9 September 1983)

■ BUSINESS

Cash still widely acceptable in Germany despite rise of the credit card

Credit cards continue their relentless advance. Only a few years ago, the little plastic cards were regarded as the snob's calling card. Today it has not yet become legal tender for the man-in-the-street, but it is no rarity.

Statistics show that more than half of this country's 800,000 credit card holders earn more than DM100,000 a year. This is because credit-worthiness is essential.

Most of the hotels, restaurants and shops that accept the cards are not cheap. Nor is the annual card fee that ranges from DM48 to DM120.

Compared with the United States, West Germany does not use credit cards widely.

The average American has at least half a dozen. Most Germans are glad to have a Eurocheque card, which is not a credit card at all.

Those familiar with the USA know that it is almost indecent to pay cash in that country.

Credit cards are a sort of international legal tender anywhere in the world, including many East Bloc countries.

It takes between four and six weeks before a card holder needs to settle his account. This makes not only for more liquidity but can also result in interest gains.

But to be worthwhile a credit card organisation must have a sufficient number of firms that will honour the card.

More and more businesses are discovering the benefits of plastic money: 30,000 German firms accept the cards, primarily shops, hotels, restaurants and dairies.

But there are also garages, correspondence schools, airport parking lots and even museums and theatres.

Once shops that would take cards were usually in cities of more than 200,000, but this is changing rapidly. The card is advancing into the provinces and shopping centres outside metropolitan areas.

Diners Club GmbH, Germany's oldest credit card organisation, anticipates a further rise in the number of card holders and a doubling of the number of firms honouring the card.

So does Gesellschaft für Zahlungssysteme (GZS), Frankfurt, a sort of clearing house organisation that handles the Eurocard.

There are many reasons for this. The Berlin-based Research Centre for the Retail Business (FFH) has found that credit cards help sales. This helps reduce fixed costs that are unrelated to sales.

Another survey shows that credit cards improve profits despite commission paid to the card organisation. This is because cards attract customers, and usually better-paid ones.

It also encourages impulse buying. Business surveys show that those who accept several cards do particularly well.

Card organisations charge no initial fee to a business nor do they stipulate a minimum amount of sales. They simply collect a commission on each sale. This

has dropped from an average ten per cent in the mid-1950s to five per cent.

The German market is shared by four card organisations of which three (American Express, Diners Club and Eurocard) issue so-called travel and entertainment (T&E) cards. The holder is not given a line of credit but can use them freely for shopping, travelling, etc.

Card holders are billed once a month and are expected to settle on receipt. The fourth card, Visa, is a bank card. The customer is allowed a certain level of credit and can pay it off in instalments. The interest paid by a customer is probably the main source of income in this case.

American Express, with its 250,000 cards, leads the field in Germany, followed by Eurocard (230,000), Diners Club (215,000) and Visa (65,000). But world-wide, Visa has probably by far the most card holders, an estimated 90 million.

Qualifications for card holders differ. Eurocard (established in 1973 jointly by German banks) requires no minimum income but makes a thorough credit-worthiness check through the applicant's bank.

The annual fee is DM100; 25,000 German businesses accept the card. But since Eurocard cooperates with American Mastercard and the British Access,

3.2 million businesses accept it world-wide.

Diners Club, which requires a minimum annual income of DM45,000 and charges DM120 a year, is honoured by 600,000 firms world-wide; (25,000 in Germany).

The minimum income for American Express is DM34,000 p.a. and the fee is DM120.

An initiation fee of DM100 has been dropped because it became uncompetitive. About 730,000 firms accept it world-wide (27,000 in West Germany).

There is no minimum income for Visa and the annual fee is only DM48. It is accepted by 3.2 million firms around the world (18,000 in Germany).

People who travel a lot often find that they need more than one card.

American Express is widely used in the Middle and Far East. Eurocard will get you furthest in the USA, Canada and Central America because of its cooperation deal with Mastercard and Access.

Visa has its stronghold in southern Europe, especially in Spain, Italy and France where its cooperation with the French Carte Bleu organisation is paying off handsomely.

Diners Club is well represented everywhere, but the firms accepting it usually are among the most expensive.

Brand names to remember: not many

not only because they are useful and available everywhere but also because they have strong brand name images bolstered by world-wide advertising. This cannot be done in Germany.

A look at the world's most successful brands of consumer goods shows that almost all of them are simple and practical products backed by a simple and straightforward marketing and brand name philosophy — and the Germans have always found it hard to find something simple.

German marketing experts use long and complicated sentences to describe the effectiveness of their product. Americans simply say: "It works."

There is yet another thing: most international brands are related to leisure, travel and pleasure — an area of business that is not exactly typically German.

This makes it the more admirable that the tobacco brand name company Dannemann (jointly owned by Burger and Melitta-Biese) is making a bid to market its cigars and cigarillos world-wide.

True, before the war and before it was confiscated, Dannemann Brazil was already an international hallmark. But that was a long time ago, and cigars are not exactly a growth business today.

In its present drive, Dannemann is not trying to get to the top, which is dominated by Havana brands, but is trying to concentrate on the broad medium priced market — where Amphora, the successful pipe tobacco brand made by

The Eurocheque card

Who issues how many in Germany (of July 31, 1982, in 1,000s)

Savings banks	594
Co-operative societies	123
Trading banks	
Post office	
Other credit institutions	
Total	717

The Eurocheque card is the thing most Germans have to use. Over 16 million of them are in use. They are accepted in all three both in Europe and elsewhere cheque card guarantees.

Cards do have disadvantages. Every business honours them which means that people who travel abroad often need two or more cards. It is a costly business for private users.

The card organisations do make mistakes. Bills should be checked fully.

The card organisations are troubled by fraud with forged cards — sometimes by specialised gangs.

(Stuttgarter Zeitung, 15 September 1983)

FINANCE

Bankers jailed after trial lasting 4 years

of the longest trials in West Germany has ended after 4½ years with six convictions. The charges arose out of the collapse in 1974 of the privately-owned Herstatt Bank with debts of 1.2bn because of foreign-exchange speculation. The fall is the rate of the dollar the direct cause. The bank's former manager, Herbert von der Herstatt, and the former head of its foreign department, Heinz Hedderich, 53, each fined DM45,000 and jailed for two years and five months. Three people sentenced in March. The managing director, Ivan Herstatt, and chief foreign exchange dealer, Denny Dattel, did not stand trial because of ill health. The bank's shareholder, Dr Hans Gerling, who was in Switzerland before he could be tried, was not charged.

The presiding judge at the Cologne court allocated the blame for the collapse widely: to the nominal owner, Ivan Herstatt, to the department heads, to the foreign exchange dealers, to the management and supervisory board where Hans Gerling had the ultimate say.

The court organisation was troubled by fraud with forged cards — sometimes by specialised gangs.

(Stuttgarter Zeitung, 15 September 1983)

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Three who did not stand trial but who were involved with the bank. From left, Hans Gerling, chief shareholder, who is out of the country, managing director Ivan Herstatt and chief foreign exchange dealer Denny Dattel. The last two were too ill to stand trial.

● on the auditors, who, he said had lied.

Herstatt was not fit to head a bank. Gerling, now safe in Switzerland, had used the bank for his own ends and had known what was going on.

The bank had used book-keeping tricks including fictitious deposits from abroad to hide its plight.

The judge said that, with the bank in the condition it was, the miserable role of the auditors made it inevitable that the bank would collapse.

Gerling had the ultimate say on both boards because he had 84 per cent stakes in the bank's capital.

Though Gerling had provided DM200m of his own money to satisfy at least some of the small savers' claim — a gesture the judges appreciated — this did not absolve him from blame.

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United encontrará la contestación a estas preguntas en DIE WELT, el diario independiente, nacional y económico de Alemania.



Three who did not stand trial but who were involved with the bank. From left, Hans Gerling, chief shareholder, who is out of the country, managing director Ivan Herstatt and chief foreign exchange dealer Denny Dattel. The last two were too ill to stand trial.

Dr Gerling, who in the post-war era founded one of Germany's largest insurance conglomerates operating on an international plane, was the man who pulled the strings at the Herstatt Bank, the presiding judge said.

He described Herstatt, who told his staff "make any deal you like as long as you don't get caught," as an unsuitable man to head a bank.

Herstatt, who was primarily known for his carnival escapades, did not deserve to be called a bankrupt.

Gerling, who was the chairman of both the management and supervisory boards and who had with sweeping powers, used the bank to his own ends and was fully aware of the dubious deals that were going on.

But he was unwilling to take the responsibility for them. He was only interested in profits.

The judge cited a 1973 Gerling directive (1973 was a recession year and profits were low) in which he gave strict orders to the bank to make enough profits to pay a 12 per cent dividend. The judge described this as typical of Gerling's attitude.

It would have been most unlike Gerling to forgo growth and dividends in a crisis year, the judge said.

Gerling therefore did nothing to stop the reckless speculation of the bank's foreign exchange department from January 1973 to June 1974 in an effort to get this growth.

These deals, with a total volume of DM1.6 trillion, were praised in the supervisory board meeting of March 1973 and described as "tactically correct assessments of the foreign exchange markets."

It was this praise that ultimately led to the collapse of the bank because the department heads and foreign exchange dealers found their actions approved and progressed to even riskier deals, the judge said.

Gerling tolerated no contradiction and the executives of the bank were under strict orders to obfuscate themselves by the growth rates of this country's major banks.

The judge did not spare the auditors. They had played a miserable role.

They had lied, and things being what they were, the collapse of the bank was inevitable.

He cited some examples to show how risky foreign exchange speculation can be:

"The Herstatt Bank made an average of 180 foreign exchange deals a day worth about DM4bn. This means that a one per cent fluctuation of the dollar



Three who did not stand trial but who were involved with the bank. From left, Hans Gerling, chief shareholder, who is out of the country, managing director Ivan Herstatt and chief foreign exchange dealer Denny Dattel. The last two were too ill to stand trial.

rate would result in DM10m in losses or gains, assuming a business volume of DM1bn.

The actual exchange rate fluctuations in the spring of 1974 were, however, not one but at times as much as three to six per cent.

The judge stressed that over a period of four days the bank managed to profit DM196m due to exchange rate fluctuations; but a short while later it lost DM278m in five days.

When the dollar plummeted, the bank lost DM600m in foreign exchange deals in only four months.

This was the point at which the bank supervision authority decided to close Herstatt Bank because its own capital was only DM72m — much too small for the volume of business.

This judge said that the bank would have been closed long before if its balance sheets had not been cooked.

Through book-keeping tricks and sham deposits abroad the bank was able to hide the fact that it was on the verge of insolvency.

It is for this falsifying of balance sheets that the remaining two accused received prison sentences of 29 months each.

The court did, however, take into account that the two accused were unaware of the actual extent of the foreign exchange speculation and hence how deeply the bank was in trouble. The court also appreciated the fact that they did not personally profit from the deals except in the form of dividends.

(The other accused in the trial, the biggest criminal trial involving economic crimes in post-war Germany, were either sentenced earlier or did not stand trial on grounds of ill health, as in the case of Ivan Herstatt and the head dealer of the foreign exchange department, Denny Dattel.)

The presiding judge strongly criticised the length of the trial. Proceedings like this were an imposition not only on the judges but also on the accused and their counsel.

This sort of trial, he said, is always in danger of suffocating under the weight of its own paper work.

There was little point in presiding every minor charge. Instead future trials of this nature should restrict themselves to essential facts so that they could be completed within a reasonable time.

He pointed to the fact that the court had to wade through 67,000 foreign exchange deals. A trial lasting four-and-a-half years was in itself an injustice.

"Such a trial should not happen again," he said.

Hasso Ziegler

(Stuttgarter Zeitung, 1 September 1983)

Jumbo jet shooting may indicate power struggle in the Kremlin

Many Moscow-watchers feel the Korean airliner shot down by Soviet air force planes signifies a power struggle in the Kremlin. Wolfgang Leunhard, 62, agrees. He is an authority on the East Bloc. He grew up in the Soviet Union, where his parents were German emigrés, and moved to East Berlin in 1945. He fled to the West in 1950. He is now teaching at Yale and is here interviewed by Herbert Kremp of *Die Welt*.

Question: How could the Soviet Union possibly deny having shot down the Korean airliner far so long when the proof was plain for the world to see what had happened?

Answer: The denial of Soviet guilt by means of several contradictory and evasive statements indicates disagreement among Soviet leaders about what to say.

An immediate and straightforward declaration by the Soviet leaders that they deeply regretted the incident, expressed their sympathy with the bereaved and would punish those who were to blame would undoubtedly have been the best for the Soviet *raison d'état*.

But that would have meant blaming the Soviet armed forces, and the Soviet leaders obviously felt unable to go that far.

The Soviet military establishment was obviously opposed to the idea and is strong enough to impose its viewpoint on the subject.

Q: Who, in your view and given your knowledge of the Soviet command structure, is to blame? The military or the political leadership?

A: Airline pilots have reacted strongly to the shooting down of the South Korean jumbo jet.

At an emergency session of IFALPA, the International Federation of Pilots' Association, in London representatives of roughly 57,000 pilots in 67 Western countries did not mince words.

"We are deeply shocked by what has happened off Sakhalin," they announced. "We are thus firmly convinced a boycott of flights to the Soviet Union is necessary to make it clear to Moscow what damage it has done."

Pilots' associations were notified of the appeal and called on to boycott for two months all flights to Russia, which happens to have more planes than any other country in the world.

Cockpit, the German pilots' association, reacted promptly from its head office in Frankfurt am Main.

"We immediately contacted the only airline that regularly flies to the Soviet Union from this country," says Uwe Holzwig, the association's spokesman.

"Lufthansa has to agree to out boycott. The legal position only allows us to strike in connection with disputes over wages and working conditions."

He is sure Cockpit's executive committee will declare its solidarity with pilots' associations that plan to act in accordance with the IFALPA appeal.

As a Lufthansa Boeing 707 pilot he knows what he is talking about. The German airline doesn't have many 707s left. But those it does fly over 4,500km of Siberia once a week.

So Holzwig knows better than many of his fellow-pilots what goes on in So-

A: The immediate, operational responsibility as it were lies with the commander-in-chief of the Soviet Far Eastern defence region, General Gagarov.

The blame also lies with his superior officer, Col.-General Romanov, head of the Soviet air defence forces.

But in view of such a major event it must be assumed that the final decision was taken by the Defence Council, to which both military and political leaders belong.

Its chairman is Mr Andropov, but at the time the decision was taken he was on holiday, so it could well be that the views of Defence Minister Ustinov and Foreign Minister Gromyko prevailed.

The responsibility thus lies with the Soviet military leaders and with hawks among the country's political leaders.

Q: Can the incident be said to be a continuation of the Soviet power struggle by other means?

A: Yes, there are a number of signs that the original *troika*, consisting of Andropov, Gromyko and Ustinov, has broken up.

Domestic reasons may have been the main consideration, since Mr Andropov, evidently backed by his fellow-members of the politbureau Mr Romanov, Mr Aliyev and Mr Garbachev, was initially prepared, albeit cautiously, to step gingerly in the direction of long-overdue economic reform.

That triggered immediate opposition by influential Soviet leaders such as the chairman of the state planning commission, Mr Balbakov, who held a press

conference, most unusually, at the Soviet Foreign Ministry.

In the foreign policy context Mr Andropov's tentative signals, as imperfect as they may have been, felt by some in the West to have been, encountered stiff resistance from everyone who is opposed to external moderation of all kinds.

They were particularly opposed to Mr Andropov's stated readiness to scrap a number of SS-20 in certain circumstances.

The body of opinion led by Mr Andropov is accurately briefed on the situation in the country at large and evidently keen to pursue a more realistic policy.

It would like to embark on urgently needed measures of economic modernisation, to take the edge out of the nationalities problem and not to overstrain East-West relations.

The other viewpoint, firmly anchored in the hard core of the Party machine and the Red Army, is represented among the Soviet leaders by Mikhail Ustinov and Mr Gromyko.

It is apposed to as much as the first moves in the direction of domestic modernisation and external moderation.

Both consists of representatives of the Soviet old boy network, but the differences between them are important enough to merit being registered by the West.

Q: What will the international repercussions of the airliner incident be, do you think?

A: It has imposed a heavy burden on

Quick and hostile reaction by international pilots' union

viet air space and why it is that flying over Siberia is a fun.

Soviet air safety control's ground facilities are beyond belief when compared with Western equipment, he says.

Pilots who fly over Siberia have to find their way with the aid of non-directional radio beacons that have a very limited range.

They have to keep a close watch on the beacon direction and strength in order to keep within the prescribed air corridor, which is a mere 15km wide.

Crews have to use their own navigation equipment for much of what is a 10-hour flight in order not to go even slightly off course and risk being buzzed by a Soviet jet interceptor.

Radio contact with control tower staff is limited to the absolute minimum. Holzwig is particularly upset that there are only two emergency airfields between Moscow and Vladivostok. Western airlines are allowed to use if they run into difficulties.

German pilots can certainly not be faulted in their determination to back the boycott in the interest of safety: the safety of passengers, crews and aircraft.

They made their first representations to the Lufthansa management in Cologne on the afternoon after the IFALPA appeal had been issued.

East-West relations, again questions the trustworthiness of vict leadership as a negotiator and made more difficult by the West reaching serious talks with the Kremlin.

Soviet proposals that involving nations likely to be the world at large with pacifism than in the past. The summit meeting between Reagan and Mr Andropov grown more remote.

Q: What response by the West you view seem most appropriate to persuade the Soviet Union to greater moderation in future?

A: Democratic Western powers must not simply return to the usual after this disgraceful episode.

The West ought to insist on a publishing the truth in connection with the shooting down of the airliner, apologising for consequences and paying for it.

Part of counter-measures on Aeroflot planes landing in the West would seem appropriate.

But the Geneva talks ought broken off. That is exactly the kind of hawk would like to open in any case.

In all measures taken and made by the West a clear must be drawn between the leaders and the Soviet people.

Given the current political situation in the Kremlin it is clear that also to be drawn between the tendencies.

The hawks, who are in agreements of whatever kind shown by Western determination there are limits to their power to win them up to its danger.

Herbert Kremp of *Die Welt*, 8 September 1983

British Airways to cancel its flight to Moscow three days after the very next day, and at the time writing British pilots were in the Whitehall felt about the idea.

Air France pilots have decided to wait and see how the develops in Europe. A more note was maintained in Stockholm in home of SAS, the Scandinavian System.

Seventeen Western airlines services to the Soviet Union. Four hours after the IFALPA appeal one had agreed to the boycott.

The most reserved response from AUA in Vienna, which Austrian airline would like to see turntable of flights to the East.

AUA runs daily flights to Moscow and its spokesman Johann Janda this to say:

"We would be overestimating ourselves if we as small fry were to play a role in imposing sanctions on the Soviet Union."

"We could easily end up with others disregarding the boycott continuing to do good business with Russia."

If Western flights to the Soviet are grounded for two months, the obvious winner: Aeroflot. Soviet airline would probably run unscheduled flights to meet extra demand.

Rudolf Janda of *Süddeutsche Zeitung*, 8 September 1983

18 September 1983

BERLIN RADIO SHOW What's new in electronic entertainment

STUTTGARTER NACHRICHTEN

Berlin radio show featured the best trends in electronic entertainment from 27 countries. There were 765 visitors, 200 more than in 1981.

West Jagwensen of the radio and the *Deutscher Rundfunk* association said the trade turnover this year to be up by four per cent to roughly 4.5bn.

The increase would be due in part to most given by the radio show. Priority would stay steady, with increases in the area of the rule.

Christian Schwarz-Schilling, Bann Minister of Posts and Telecommunications, used the occasion to inaugurate nationwide Btx, or videotex, service.

short for *Bildschirmtext*, or viewdata, is a link-up between the telephone, TV and the Bundespost campus network.

Over several years of trials in Berlin Düsseldorf the facility is now available in Hamburg, Frankfurt, Munich and Stuttgart.

It will go truly nationwide next year, said Dr Schwarz-Schilling. The medium was banded before long to be for a mass public.

From mid-1985 subscribers all over the country will be able to dial far Btx by making a local call, and by the end of 1986 there are expected to be 10 million commercial and private subscribers.

The Bundespost has devised a system on the CEPT standard that enables better quality graphics and by including the Roman, Greek and Cyrillic alphabets guarantees access to similar facilities all over Europe.

Christian Schwarz-Schilling also inaugurated the new videoconference facility in the new videoconference facility in the home of SAS, the Scandinavian System.

There are studios in Berlin, Düsseldorf and Hamburg where companies can hold conferences by video and travel costs.

The Btx IP (Information providers) association said same of the charges Bundespost planned to introduce would hamper the spread of the new system.

The Berlin radio show filled 25 halls, pavilions and part of the International Congress Centre. The total floor area in use was 1,080,000 square feet, 2.5 acres.

Product categories mainly on show were TV, phone, video, hi-fi, accessories and the new media. Digital technology was the new technology ends interference of the constant top quality of reproduction.

During the 10 days of the show ARD and ZDF, the two main channels of the German TV, screened 150 hours of programmes from their radio show.

Telefunken exhibited a prototype radio set for radio reception via satellite

1100 - 18 September 1983

THE GERMAN TRIBUNE

9

Satellited, cabled, videod and plugged in — the new media

New media developments at the Berlin radio show were more than the shape of things to come. Same are already on the doorstep.

They include:

- Satellite TV all over Europe transmitting programmes financed from advertising revenue.

- Hundreds of thousands of families will be able to plug in to cable TV and tune in to additional programmes.

- Video recorders and video cassettes have already extended the range of TV programmes available in Europe.

- Post and Telecom Minister Christian Schwarz-Schilling has given the go-ahead for *Bildschirmtext*, or videotex.

- Videotext, or teletext, is also fast becoming a countrywide facility.

- A silver disc the size of a beer mat, the CD, or compact disc, is about to revolutionise hi-fi.

- Publishing giants, such as Bertelsmann, are on the point of going to far TV.

Bertelsmann have applied to the Rhineland-Palatinate Justice Ministry for permission to transmit programmes as part of the Ludwigshafen cable TV pilot project.

The Gütersloh publishers are keen to join forces with others in the project.

The media are definitely on the move. Where to? Hard to say, but it certainly all began with the microchip. Technological progress, especially in microelectronics, has made it all possible.

Gerhard Naether writes in his *Stribt das gedruckte Wort?* (Is the Printed Word on the Way Out?):

"The advance of microprocessors that can store data by the million and process them by means of logical intelligence will make a greater impact on everyday life in the future than technological progress them by means of logical intelligence will make a greater impact on everyday life in the future than technological progress in the past has done."

A review of the various sectors of new media reveals the following state of affairs:

Satellite TV: Esa, the European

Space Agency, launched its OTS orbital test satellite in 1978 to carry out telecom experiments.

When the trials were over Eutelsat, an organisation to which all European postal and telecom services belong, gave a British company, Satelitte Television, permission to run a satellite relay commercial TV programme in English.

It has been transmitted since 26 April 1982 and can be received all over Europe with the aid of a dish antenna three metres in diameter provided viewers are legally permitted to tune in.

Early next summer the ECS European communications satellite will be ready for operations. British, French, Germans, Dutch and Swiss will be able to relay commercial TV an its nine channels.

A German radio satellite will be operational by summer 1985. It will be used by ARD and ZDF, the two main channels of West German TV, whereas private operators will probably use an ECS channel.

The Prime Ministers of the *Länder* are expected to agree to a compromise along these lines when they discuss the subject in October.

Cable TV: At the end of last year about 350,000 households in the Federal Republic of Germany had cable TV. This year the Bundespost is investing DM1bn to expand network capacity all over the country.

Four pilot projects are under way in Ludwigshafen, Berlin, Munich and Dortmund. They will show how the public respond to what for most people is a new facility.

The pilot projects will cost millions. Only in Ludwigshafen are private operators to be allowed to pipe programmes.

Videotext: Video recorders are steadily gaining ground. At the end of last year about 10 per cent of households had one. Cassette turnover, almost entirely lending libraries, was about DM450m.

By 1985 one household in three will probably own a video recorder. The video disc is trailing well behind the recorder. Its drawback is mainly that pro-

Continued on page 10

What all those words mean

Cable text can use the entire bandwidth of an optical cable to relay up to 1,000 pages of text per second on to a monitor screen.

Coaxial cable is the conventional variety, but with its copper inner cable and outer sheath it has a high capacity.

Datex P is a relay facility between computers. The P stands for package; lots of information are parcelled up for relay.

Electron blackboard uses a light pen to write copy and make sketches that are relayed from screen to screen with an accompanying soundtrack facility.

Fibreglass or optical cable relays information at the speed of light: up to 34 million impulses per second. The fibre is two micrometres in diameter (a

human hair is 100 micrometres in diameter).

Pay TV offers a wider choice of programmes but, as the name implies, charges for the privilege.

Satellite TV is a direct link between the relay satellite and the TV set via a domestic dish antenna three metres in diameter.

Will normally only make sense when provided for an entire block of flats, for instance.

Teletax is similar to the conventional teletypewriter, but 20 to 30 times faster. Like the telex it uses keyboards at either end for transmission and reception.

Teletax relays a letter, including letterhead and signature, without using a facsimile process.

Videotext is a one-way service transmitted in the normal way to TV screens. It relays information, news and consumer tips put together by broadcasting corporations and newspaper publishers.

(Lübecker Nachrichten, 28 August 1983)

Btx is a three-letter word that has long fascinated German media men. It stands for *Bildschirmtext*, the German for videotext or videotex.

A major attraction at the Berlin radio show, it was launched in the city in time for the show.

Btx is access to computers for a wider public, as most private households already have the basic equipment: a telephone and colour television.

A phone call links the TV set to an entire network of computers run by the Bundespost, the West German postal and telecom service.

Subscribers can dial any of several hundred thousand frames for information computer-stored by all manner of suppliers.

They include newspapers and banks, mail-order companies and government agencies, even the Church.

Where and when are church services held on Sunday? Which doctor is available on emergency standby? When is the town hall open to answer inquiries?

Are tickets still available for the theatre? Is the delightful sky-blue pullover advertised in the mail-order catalogue in stock? What's new in the world?

The range of information available is virtually endless. Subscribers will be able to dial for information from similar facilities in other countries.

Since mid-1980 field trials have been held in Düsseldorf and Berlin, where 2,000 households and 1,000 commercial users have been hooked up to the system.

In Düsseldorf, for instance, over 300,000 frames of information are currently available, and this figure does not include data from outside computers.

After just over a year of trials it was decided to go countrywide. The system was to be launched at the 1983 Berlin radio show.

IBM has failed to make the deadline. It has not yet been able to supply the Bundespost with the computers and programmes needed.

That, of course, is easier said than done. The phone call does not retrieve microfilm pages; it unearths individual signals that are assembled to make up a page, or frame.

A new standard is to be set, enabling better graphics, more attractive scripts and more colours to be used than in the field trials.

Agreement has been reached on this point by the Bundespost with other countries. Definition as fine as on TV is not possible, but the user has a wide range of personal choice.

Data from external computers means a gateway between the Bundespost's IBM equipment and other computer

BERLIN RADIO SHOW

The nation gets a taste of Bildschirmtext's style



manufacturers' facilities must be possible. This compatibility requirement is what makes the scheme so difficult to set up.

The system Bonn Minister Christian Schwarz-Schilling inaugurated at the Berlin radio show was no more than a makeshift.

It relies on the computers used in the field trials but uses the new standard. Countrywide access is a misleading claim inasmuch as only 5,000 new subscribers can be accommodated at present. Btx proper will not get going until between April and June next year when its Ulm headquarters and the first regional computers are taken into service.

The Bundespost needs to have a network of interlinked computers all over the country to be able to handle enquiries from a large number of subscribers.

Btx computer access will need to be available via a local call from any part of Germany, so the rate at which the system is to be introduced has been accelerated.

It is to cover the entire country by mid-1985, or three years earlier than originally envisaged. Provided IBM can meet the deadline.

A Btx subscriber will pay DM8 a month over and above the normal telephone rental. In return he will be supplied with a modem, or modulator.

Then he will need a TV set and decoder to store and convert telephone signals into a picture on the TV screen.

Loewe Opta, a small German electronics company, are particularly annoyed with IBM in this connection.

They have manufactured the first decoder for the new standard and were hoping to do good business after the radio show, but IBM with its delay has scotched these hopes.

The Bundespost was expecting 40,000 new subscribers this year but for the time being can only handle 5,000. That leaves other manufacturers until May 1984 to perfect their own decoders.

Subscribers will also need a special remote control keyboard with letters and numbers.

They will then be able to relay any message they want to any other Btx subscriber. This is the electronic mailbox facility.

Decoders still cost about DM1,000, which is why most initial subscribers will be commercial users.

Polls indicate that private subscribers would only be prepared to pay DM200 to DM300, which might well be the going rate in two or three years' time.

Sooner or later all new TV sets will be equipped with a decoder, which incidentally can also be used for reception of the videotext facility (not to be confused with videotex).

But that will be a while yet. Technical advances and mass production must first cut the cost of the devices currently available.

IPs, or information providers, have worked themselves up into a frenzy about the Btx idea of late. They are expecting to break business.

By mid-1986 the Bundespost expects to have one million subscribers and 40,000 to 50,000 IPs. Diebold, the consultants, expect there to be 700,000 subscribers, including about a third that are private households.

There is a more conservative estimate. Is it more realistic? We shall have to wait and see.

But Btx will certainly be interesting for business users, and they will be the main market to begin with. It will, for instance, make it easier to maintain constant contact with travelling sales staff.

Smaller firms will find Btx useful in combination with office computers. Important information is there for the asking all over the place. Btx will give them access to it.

Chambers of commerce and industrial associations will be able to provide information in just the same way as private enterprises will.

For bulk orders and mail-order customers Btx can be combined with video discs. Clothes can be modelled on video discs, with Btx screening details of price, availability and electronic order facilities.

IPs can pick and choose the devices and price range they need to provide their information. The simplest units cost a mere DM5,000.

They consist of a screen and keyboard, a music recorder and a simple printout device. Between them they store, set up and print out information as requested.

Frames are then relayed to the Bundespost computer, which stores them and retrieves them whenever asked to do so by Btx subscribers.

These input units (they can receive as well as transmit) vary in sophistication. The top of the tree is an external computer gateway, which can cost several hundred thousand marks.

The closed user group facility also makes it possible to restrict access to a specific category of subscriber.

The IP needs an external computer gateway if subscribers are to be able to send in mail orders by Btx, which brings us to the options available to private users.

They include in this case an immediate reply from the mail-order computer: order received with thanks, delivery by such and such a date.

Screen shopping is the will also mean comparisons. Btx to see what local dealer brand-name articles such as...

The opportunities are limited. Armchair banking clock is one, and as such need to write a word.

An electronic directory system and an Infotel hotel booking system are being set up. Users will dial the name and place numbers and other details will be fed on to the screen.

Travel subscribers in Düsseldorf seem to have been particularly well served by the restricted facilities. In 10 plans not to continue with the system goes on.

Market research has shown that information, service and demand. Btx is less in the source of specialised information.

entertainment medium. Cost to the subscriber will be more than DM8 a month. The decoder rental of telephone calls they will have to pay up to DM9.99 per frame of text.

IPs must indicate before the frame what their charges will be. The decoder rental will be charging them.

Information providers will be charged for frame storage and their external computer gateway and much, much more.

But to help to launch the Post Office is to waive most of the discounts until the end of 1984 and 10 per cent discounts until the end of 1985.

Advertising

IPs will also have to meet in-house production facilities. Will Btx take advertising? Although there would be no borders. Is a dealer's advertising?

Advertising frames must be (for Werbung, or advertising) has been laid down in the between the Länder (the Bundesländer) responsible merely for the side.

German thoroughness has in the treaty arrangements for joiners and data protection.

Will Btx be big business? While it must first be regularly a large number of subscribers, the novelty has worn off the time.

Money has so far been made by equipment manufacturers and service facilities such as commercial agencies and consultants.

Thilo Diebold survey manufacturer costs DM1,500.

Dr Schwarz-Schilling is expected investment to total between DM300m and DM350m over the next three years, especially investment by IPs.

Btx cannot compare with any medium. It is not just a screen per. All it can do is replace uses of existing media.

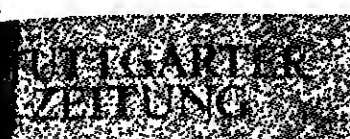
In the long term it might, in fact, corner the market for home and car adverts.

But its strength lies in new media. It will certainly not replace the newspaper entirely, if only for reading an article of this length on screen would be far too strenuous.

(Mannheimer Morgen, 1 September 1983)

EXHIBITIONS

Like learning how to live, it's easier said than done



Landscape, Architecture is the title of an exhibition at the National Gallery in West Berlin. It deals with the history of the Federal Republic of Germany.

Market research has shown that information, service and demand. Btx is less in the source of specialised information.

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But to help to launch the Post Office is to waive most of the discounts until the end of 1984 and 10 per cent discounts until the end of 1985.

Some ways the idea behind the exhibition smacks of a bid to benefit mankind as it were, let us assume that this

touring exhibition has something useful to say.

It features about 60 artists and work of theirs that is felt to be impressive and was commissioned for public display.

It is work commissioned for public buildings and squares, churches, schools, universities, administrative facilities, hospitals, concert halls, theatres, libraries, stations, public baths and at times just for outdoors.

Outdoors here means for and in landscapes and for daisied air-raid shelters.

Wherever possible, original works or designs are on show, but most exhibits are large-scale photographs by the Mannheim industrial photographer Robert Haussner.

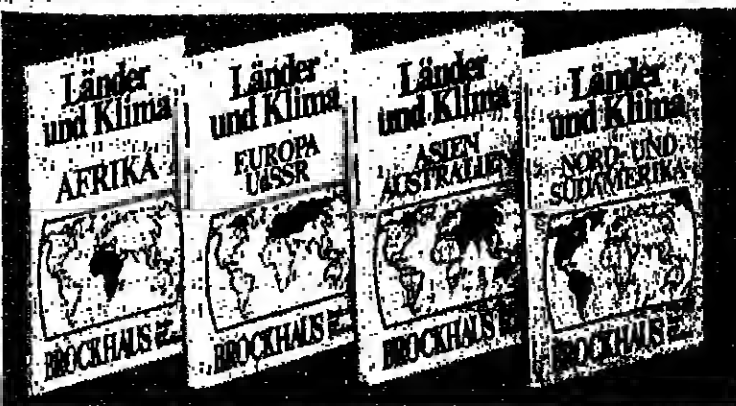
He spent a year touring Germany, from Munich and Saarbrücken and from Sylt to West Berlin to put his collection together.

The 187-page catalogue, profusely illustrated, costs DM36 and includes a temperamental and at times caustic, but mainly witty and intellectually pleasing essay by Manfred Sack.

It is entitled *Justification of Emptiness — How Towns Have Grown: Three and a Half Decades of Planning and Construction in the Federal Republic of Germany*.

There is also an article by Dieter Hönisch of the Nationalgalerie entitled

Meteorological stations all over the world



supplied the data arranged in see-at-a-glance tables in these new reference works. They include details of air and water temperature, precipitation, humidity, sunshine, physical stress of climate, wind conditions and frequency of thunderstorms.

These figures compiled over the years are invaluable both for planning journeys to distant countries and for scientific research.

Basic facts and figures for every country in the world form a preface to the tables. The emphasis is on the country's natural statistics, on climate, population, trade and transport.

The guides are handy in size and flexibly bound. Indispensable for daily use in commerce, industry and the travel trade.

Four volumes are available:

North and South America, 172 pp., DM 22.80;

Asia/Australia, 240 pp., DM 24.80;

Africa, 130 pp., DM 19.80;

Europe/USSR, 240 pp., DM 24.80.

Look it up in Brockhaus

F. A. Brockhaus, Postfach 1709; D-6200 Wiesbaden 1



Photograph of Anatol Herzfeld's statue on the late at Dangast, a North Sea village near Wilhelmshaven. (Photo: Catalogue)

The Functional is not always the Significant.

Both recall the days of hectic construction at the time of the post-war "economic miracle" when, after the wartime devastation, Germany was rebuilt. Private housing developments spread out of town, concrete blocks grew steadily taller and churches were smaller in comparison.

It was on era when many opportunities were missed and a number of unplanable and irreparable architectural sins were committed.

The two men mention the programme of work commissioned from artists in connection with public-sector building: a kind of fig-leaf that was allowed to account for two, later three, per cent of the cost.

But the resulting statues and mosaics or wall paintings were merely added as an after-thought to the finished building and intended as little more than a welfare measure to help struggling artists to make ends meet.

Complementary

Both are more keenly interested and hopeful of results from the current programme, which goes by the name of Art in the Public Sector.

The exhibition and the catalogue complement each other. Arguably more so than in most such cases, each is essential to fully appreciate the other.

Architects and artists continue to have difficulty in "getting together" in time to make up a similar team, and a near-perfect "architectural sculpture" such as the Berlin Philharmonie is even more unusual.

Yet Hans Scharoun, the Philharmonie's architect, was nipped in the bud fiscally and in budget terms at a time when penny-pinching in public works was not yet indispensable.

The Philharmonie remains a stroke of luck, and they don't often happen. Nor do such strokes of bad luck as Ippousteguy's statue outside Berlin's International Congress Centre.

It portrays Alexander the Great vanquishing the peoples of the East with the terrifying moderation the powerful can at times permit themselves.

With its portrayal of the victor's magnanimity Ippousteguy may well be a great sculptor, but he certainly isn't a great thinker.

But the local authority officials who commissioned his Alexander seem to have done even less thinking.

The idea it might be said to convey is singularly inappropriate, at what, it is hoped, will be a hub and turntable of East-West trade.

It is perhaps just as well that next to no-one will understand. How modestly, how beautifully and how fittingly Hann Trier in contrast printed the Orangerie at Charlottenburg Castle.

He has combined the abstract and the baroque, sensitively reflecting the past in a modern manner. What a world of difference from so many kinds of abstract art!

Other examples of art in architecture that flash a signal and create something significant to combat the anonymous also stand out.

They include Jean Dewasne's painting of a section of Underground railway in Hanover, the strongly-coloured geometrical signs of Günter Fruhtrunk in Bochum, Munich and Neuberg (the last named a Bundeswehr college).

There are Otto Herbert Hajek's colourful statues in Mühlheim, Saarbrücken, and Frankfurt am Main (of which Horst Krüger in a TV essay said that contrary to all expectations the city had grown partially "habitable" again).

The writer rather doubts whether, in contrast, it is much fun sitting under Ferdinand Kriwet's neon lights at the Ruhr University in Bochum.

The exhibition features ample material for debate, which makes it valuable.

The exhibition and catalogue, combined tend to reflect the view expressed by a spray-can artist on the wall of a Kurfürstendamm shopping centre in Berlin.

"Learn how to live," the graffiti artist sprayed. It is indeed easier said than done.

Jürgen Beckelmann

(Stuttgarter Zeitung, 15 August 1983)

Continued from page 9

grammes can neither be recorded nor overplayed.

Bildschirmtext (videotext): Btx gives everyone access to data banks of all kinds using a conventional colour TV with a decoder as a computer terminal and an ordinary telephone with a special adapter to open up the line.

Subscribers can use the facility round the clock, dialling for the latest news and sports results, consumer information, money and other market reports.

The armchair viewer can become an armchair reader, not to mention an armchair shopper, armchair banker, armchair gamer and armchair hotel booker.

He can also exchange individual messages with any other Btx subscriber in a matter of seconds.

Videotext: This service also pages information on to the TV screen, although

It is only a one-way traffic. But frames take time to retrieve and are often illegible if reception is poor because they are relayed by TV transmitter.

Yet it is gaining ground slowly but surely. Its advantage is that it is still free of charge, whereas Btx, or videotex, will cost higher phone bills and other charges.

Compact disc: A digital record player picks up sound of superb high quality from a record the size of a beer mat. The experts all agreed that CD stands for a revolution in hi-fi.

Up to 70,000 players at DM2,000 and 200,000 discs at between DM35 and DM40 will, it is estimated, be sold in Germany this year.

Pundits forecast there will be no conventional gramophone records left in 10 years' time, only CDs.

Jürgen Hahn

(Die Welt, 1 September 1983)

■ THE CINEMA

Eliminating the charm of the Sunshine Patriot

The 40th Venice Film Festival opened with a West German film, *Ediths Tagebuch* (Edith's Diary) directed by Hans W. Geissendörfer, and based on a Patricia Highsmith novel.

The trouble with the film is it eliminates the very qualities that lend charm to the novel.

In the book, Edith sees her life pass before her at the moment of her death. Towards the end the author speeds up the narrative.

This principle of accelerated motion is also used by Geissendörfer in the film.

Geissendörfer and Highsmith took a bow together after the Venice screening. This was irritating, because nobody could have more grotesquely warped the original than Geissendörfer.

Edith is about 30 when the book begins. She, her husband Brett and her 10-year-old son Clifford move from New York to Brunswick Corner.

The journalist couple, of whom the author says, more or less in passing, that they are "American-liberal and a bit left of centre," make their middle class dream of a home of their own come true. But their house becomes more of a prison than a castle for Edith.

In a tortuously detailed narrative, Highsmith describes the decline of a family. She depicts the lethargy of a woman's everyday life, her almost mechanical dedication to duty. Her only escape is the flight into a dream world.

The novel starts in 1955, ending 19 years later with the death of a woman who had tried in vain to lie her way out of the desolation of everyday life.

She describes her dreams in her diary; and the book covers ten years before the vicissitudes of everyday life become so intolerable as to necessitate this safety valve.

Ediths Tagebuch deals with the psychology of a victim, a woman, snapped — as if by vampires — by her neurotic, infantile and obese son Clifford, her husband Brett (whose liberalism inadequately papers over his pasha attitude) and the uncle from whom she has expectations and who unashamedly permits himself to be doted on. In fact, it never becomes quite clear whether the uncle is just a hypochondriac or whether he indulges in some subtle psychological terror.

The novel is set in the United States, and neither the place nor the period in which the novel is set is exchangeable at will.

This is so because all characters are chained to the American Dream: a vague feeling that failure in life cannot be blamed on misfortune but on one's own failure.

The author describes the never-dwell Cliffie by quoting Tom Paine's War of Independence words about the "summer soldier and the sunshine patriot."

In any event, this is not how Edith wants to be. She fights come hell or storm, wanting to become something of an American heroine. She accepts the American values and ideals, suffers over Watergate and Vietnam, writing in her diary: "True hell is the difference between dreams and reality."

Geissendörfer, who once before made a moderately successful adaptation of a Highsmith novel (*Die gläserne*

Zelle), rushes through the novel like an express train, hastily grabbing for motifs, characters and bits of action.

The net result is the elimination of what lent charm to the novel and were at the root of it: slow decline and erosion under the pressure of life.

The film story starts in 1978 and ends five years later. And even in this shortened time span, the director fails to convey an adequate sense of time to the viewer.

Unlike in the novel, where friends and neighbours have characters and a story of their own, in the film they become anemic extras and abstractions without a story behind them.

The small American town that Patricia Highsmith describes in such detail has been transposed to a featureless West Berlin that could be anywhere.

The characters have been renamed. They are now Edith, Paul, Chris and Georg.

Edith and Paul are probably supposed to be what has on occasion been called "the children of Marx and Coe-Cola."

In any event, the film intimates from time to time that the student unrest of the 1960s has left its mark.

Geissendörfer's original idea was to make his film narrative start in the late 1960s, and it would have been interesting to see what would have become of it had he done so. As it is, all that remains of the original story is a few trace elements.

The husband brings his girlfriend home for tea; and when, after the divorce, the girlfriend has a baby girl, Edith receives a telegram saying "wish you were here."

None of the Highsmith characters has been able to escape Geissendörfer's brutal hands.

Edith, a monster of conformism and adaptability, is depicted by Angelo Winkler as a shrew whom Geissendörfer — and here he is consistent — coils



Paul (Vadim Glowna) and Edith (Angalika Winkler) in 'Ediths Tagebuch' (Photo: Filmzeitung)

"the only normal and moral character in this story."

The (at least outwardly) dispassionate and almost merciless description in the novel has been abandoned in the film in favour of a moralising description in which the world is divided into victims and perpetrators.

The novel is marked by a conspicuous absence of anger and hatred, the very feelings that make the creation of a second, artificial, world plausible.

Angela Winkler, whose affected poses and outré gestures have made this film pretty insufferable, is certainly not the type of woman who would mockly put up with everything. She defends herself, at least verbally, and the resignation that remains is neglected by the director.

In any event, the dream image of middle-class happiness is alien to the psychological makeup of the heroine. It is therefore not surprising that the cameraman bites the lip scenes in which Edith dreams of a tomorrow steeped in tried and proven values in a cold, marble-like light that nullifies any idea of happiness.

Clifford, the cowardly, fit son, becomes Chris, an aggressive and violent psychopath.

This provides Geissendörfer with an

opportunity to insert rape and violence, presumably to popular taste.

Instead of the sense of a work too, and he is almost embarrassed when he recalls the Olympic Stadium in Munich, which he and Günter had designed.

In the novel, the private for his Eco-House for the International Architectural Exhibition in Bernau am Charnow was all the obstacles seem to have the heroine's emotional state.

The film shows flashbacks of explosions in Beirut and the Iran-Iraq war.

Geissendörfer does not make the most banal connection with the latest international interest shown in his work, an artistic political conditions that will shortly be seen in lunacy, using bits of TV news.

making them culminate in the scene showing Chancellor Schmidt speaking of a centre at the Institut für Außenbeziehungen in Stuttgart, before going to the Shchukin Museum of Architecture in Moscow.

Seen in this light, *Ediths Tagebuch* is an exception from the rule. On the contrary, it is a re-affirmation of the processes that fascinate designer Otto.

Of it is a graphic and unusual in natural history that testifies to close cooperation between Frei Otto and leading biologists such as Gerhard Roth, the algae expert.

This year's Hanover Festival made this quite clear: many industrial films are still stiff, schoolmasterly and without creativity.

Much too rarely do they depict people and much too often things. But they are made by sound craftsmen.

Foreign viewers seem to like this as

PEOPLE IN THE ARTS
The voice of conventional architecture

Otto, 58, is Germany's best-known architect abroad.

Many he is regarded as an ecumenical source of ideas and technological ideas who seldom joins in the architectural debate and has self-work of his own.

are good reasons why. Frei is strongly opposed to conventional architecture. He says it contradicts

he aims for is a consensus between technology on the one hand and on the other.

The results of building are not what is really interesting. What interests him are the processes that lead to

the yardstick he applies to his work too, and he is almost embarrassed when he recalls the Olympic Stadium in Munich, which he and Günter had designed.

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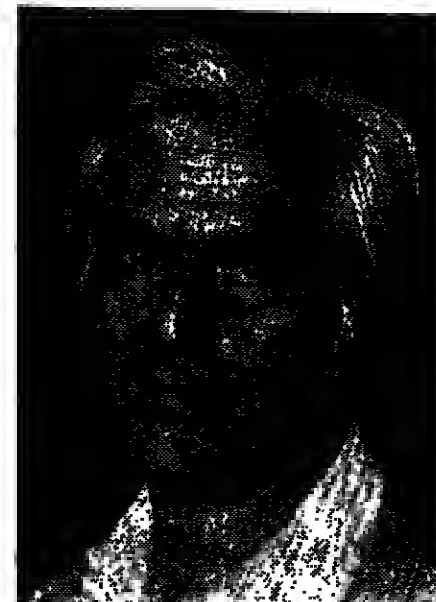
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Frei Otto ... seeking a consensus. (Photo: dpa)

near Stuttgart, and the skull of a brown owl.

The Matterhorn and grass stems compare with TV towers and the filigree masonry of Ulm Minster.

Alongside a large photo of a human embryo were one shown the "building component of living nature, the tyre."

Than come designs based on these principles that have made Frei Otto and his institute famous.

They include his Aroli city underneath a marquee roof two kilometres wide and his own home, based on the solar principle, which he and his pupil Rob Krier built.

Krier is no one of the leading post-moderns in architecture.

What interests the Russians in Frei Otto and his work? In future, he says, the Russians don't want to make do with imitations of Western architecture.

This is merely his personal assumption. But the latest exhibition in the Soviet Union will be his second.

In Moscow and Gorki, he says, people are taking a much keener interest in ecological architecture than many in the West are prepared to believe.

Dankwart Guratzsch (Die Welt, 19 August 1983)

Continued from page 12
media fare starts yawning when an industrial film resembles the "cultural film" of the 1950s.

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Director gets huge budget to film best-selling book

DIE WELT
DAILY NEWS

The Endless Story, a best-selling book by Michael Ende, is being filmed at the Bavaria Studios in Gieselsberg, Munich.

The film, directed by Wolfgang Petersen, is scheduled to cost DM60m, which will make it the most expensive ever produced in Germany.

Emden-born Petersen, 42, who has been a film-maker since 1970, will be breaking his own record for the costliest-ever German film.

It was the screen version of Lothar Buchheim's novel *The Boat*, a project that proved too much for even such experienced American directors as Don Siegel and John Sturges.

The Boat cost Petersen DM25m to film and earned him not only the reputation of having been responsible for the most expensive German film since the Second World War.

It went on to become the post-war German film that did best internationally and was nominated for no fewer than eight Oscars this year.

Petersen has since had a reputation for being able to handle any material, no matter how gigantic. When a large-budget film beset by difficulties is planned in German studios he is often the last hope.

Another director was originally intended to handle Ende's bulky novel. But he threw in the towel. Writing the screenplay, he said, seemed likely to be as arduous as one of the labours of Hercules.

But with expenses already running into seven figures the producers called in Petersen, who was about to start pre-

production of the film.

He made a name for himself in the 1970s with films for a TV crime series. His first full-length cinema film, *Einmal um den Berg*, was nominated for an Oscar in 1974.

When the hue and cry about *The Endless Story* arose, he says, he will return to work on the film about his favourite pirate, Störtebeker.

The German Industrial Film Centre in Cologne maintains close contacts with more than 100 countries.

Sven Hansen (Die Welt, 26 August 1983)



Wolfgang Petersen ... set to beat own record. (Photo: Patrick La Banca)

liminary work on a film about the mediaeval pirate Klaus Störtebeker.

He was persuaded to achieve his pirate project for a while and write a screenplay based on Ende's novel. It met with the writer's approval.

But the project that is currently being filmed in Munich now has little in common with the screenplay Ende originally endorsed.

Petersen has had to change the screenplay more than once to satisfy the Americans who are backing the production.

A grandiose allegory on the intellectual pauperisation of man resulting from the suppression of the imagination has been transformed into a fantastic fairy tale along Star Wars lines.

Cinema-goers will be able to form their own judgement when the film is networked next April. Soft-spoken Petersen is unperturbed.

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Sven Hansen (Die Welt, 26 August 1983)

Industrial films
more than
just propaganda

Georges Franju also worked for industry in that era.

Of course, today there is no sign of such artistic heights.

The industrial film has progressed from an advertising to an information medium. This is shown by the fact that the biggest financier is now the public sector with institutions such as the post office and the armed forces. It is also shown by the fact that more and more industrial films are now no longer intended for the public but for specific target groups.

The intention is to provide training and instruction and to shed light on intricate industrial and administrative processes.

The 500 films a year cost a total of DM50m.

This change in objectives can be seen in the films that took top places at this year's Hanover Festival, held every se-

cond year in conjunction with the city's largest industrial fair.

Das Grün (Green) deals with the manufacture of graph paper and the waste paper.

The other, *Die Schwermetalle* (The Zero Gravity Spiders) is a search into metabolism and artificial isotopes in this context.

Naturally, these films do not earn money because the companies that have come to see that a high-standard industrial film not be made by following the advertising.

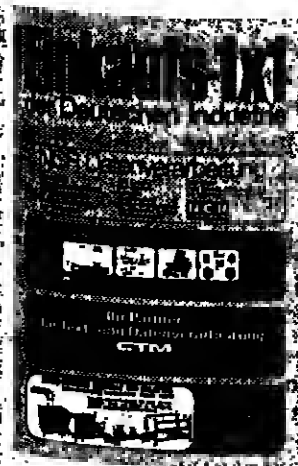
Technical and industrial films are now no longer seen as a tantamount to progress for the race.

There is hardly a good industrial film today that does not stress that matters is not technical progress but that this technical progress fits in the social environment.

As a result, industrial films are only shown in factories and at fairs but also in schools. The combat the doubts many have about industry.

This aim is sometimes hampered by the fact that a generation of

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Council clamps down on sex in advertising

Sexual discrimination is one of the main grounds for complaints lodged with the German advertising council. The council, which comprises 10 men and no women, is intended to maintain standards of advertising. It receives between 200 and 400 complaints a year. Its members are drawn from business including advertising and publishing.

One advertisement under scrutiny was for sun blinds. It showed a woman getting undressed behind the blind.

The council censured the ad for excessive use of a woman's sexuality for business promotion. It was withdrawn. So was a magazine with the heading "Button after Button".

Here, an alluringly young woman with her shirt half unbuttoned was supposed to help sell an alcoholic drink she said that "drinking it loosens buttons after button."

Another ad showing a blonde with a low-cut dress saying that she likes in particular drink because it makes her lustful little cries more pleasing.

But the committee had no objection to another ad for an alcoholic drink about which a woman had complained. The text: a limoncello, went roughly like this: "My little mouse from Kiel has almost too much sex appeal. But an X or two makes her docile as a lamb, X always gets you there."

The council said that the text was not aimed at breaking down sexual barriers but at the very opposite.

The number of complaints is low because the advertising industry tries to exercise self-discipline.

Volker Nickel, the committee's public relations man: "We regard ourselves as a consumer organisation and try to draw attention to the fact that we exist."

Some of the complaints are forwarded to either of two organisations in Berlin which sue on behalf of consumers.

Some complaints are rejected, particularly where it is because of personal dislike for a particular product. Occasionally one company wants merely to deal with the competition a blow below the belt.

When a complaint is justified, the company is asked to comment. The comments are sent to the committee together with the reasons for the complaint.

An advertisement is regarded as offensive if most of the committee members reject it.

"When this happens, most companies withdraw the ad on the spot," says Volker Nickel.

Those who refuse to withdraw are publicly censured, which can only harm their image, something known as "negative advertising" among admen.

In the 11 years since the committee was established, only two companies have refused to withdraw advertisements and been censured. One was Jägersmeister, a distillery.

The stiff criticism by women's organisations has prompted the committee to urge the advertising industry to drop "demarcating and indecent depictions of women."

Nickel stresses, however, that advertising is not meant to shape society; it only reflects it, at best.

Advertising, he says, always always to social developments because it would otherwise be unable to convince the consumer.

In a bid to disprove the criticism by women's organisations, the committee commissioned a survey of advertising discriminating against women.

It turned out that only 26 out of the 2,614 advertisements reviewed showed naked women. Of these, the nakedness was product-related in 16 cases promoting such goods as bath salts, panty hose or sun lamps.

In only five of the ads was the nakedness not directly product-related.

Most of the ads showing women (33 per cent) involved leisure; 21 per cent work; and 19 per cent involved women as housewives and mothers.

The woman who is a housewife and mother and breadwinner is barely in evidence.

Aktion Klartext, an association of women media workers, says the women in ads are so beautiful and perfect that they do not reflect reality.

The advertising industry conveys the image of such ravishing beauty as to make average women undesirable to their husbands, they maintain.

Why, they ask, does advertising not show everyday women with whom the women-in-the-street can identify?

The committee has also been criticised for having been a purely male body since its inception.

Women's organisations concede that the members are elected by a democratic process within the umbrella organisation of the advertising industry; but they deplore the fact that women candidates have not received sufficient backing.

The advertising council and the council of German women (the umbrella organisation for some ten million organisations) have been trying to cooperate more closely during the past year.

The council of German women is now also lodging complaints, especially against alcohol ads where tasteless pictures and copy are particularly prevalent.



Watchdog against smut.

In one of these advertisements, a young woman says she drinks a particular alcoholic drink because while she failed the *numerus clausus* (governing admission to university) the drink helped her to "make her number with Klaus."

In its catalogue, a mail-order firm advertises an ashtray in the shape of a sitting nude with the caption: "Extinguish your cigarette on a woman's breast. It won't hurt her because she's made of porcelain."

The council also found the caption in poor taste and humiliating to women.

It also rejected a fashion advertisement showing a naked 3- or 4-year-old girl wearing only a priest tag.

The stance of the council had a sexual component and such things must absolutely be avoided when depicting children, it ruled.

The rejection of this outrageous ad shows the extent to which judgment is a matter of personal taste: a manufacturer of heat exchange pumps showed a young couple sitting together in a bathtub with only the upper parts of their bodies visible.

The council saw nothing that would endanger juveniles or hurt religious feelings. It argued that children who have been raised in an unprudish family would not be endangered and that there is nothing in Christian teaching that forbids couples to share a bath.

Sigrid Lalka-Jöhring
(General Anzeiger Bonn, 27 August 1983)



Modern mores v. mediaeval justice: just fun or something more sinister?
(Photo: AP)

Boos break at witch trial brush off

Süddeutsche Zeitung

Nine women clad in black and white robes were led to the town of Fritzlar. The trial of two-day medieval magic by an itinerant Rhineland troupe and the town.

As the executioner led the blonde witch before her judges, women emerged from among the spectators and unfurled banners objecting to the event.

The women tried to prevent the blonde witch from being burned. Then they threw their staves and formed a circle to prevent the spectacle from continuing.

The police arrived ten minutes before the witch was to be burned. About 45 minutes after the show resumed.

A week before, protests at the town to hold the mock trial lodged by the Greens, the Church and a Protestant pastor.

The Greens said that the mock trial was the "worst and most degrading of the Middle Ages."

Church representatives saw the "gruesome spectacle" for spectators were asked to bring food and twigs could have an adverse effect on children.

The city administration, which had paid DM10,000 for the show, was unimpressed.

The Protestant minister, Hans Althaus, rejected the show as a "badly needed order. As in the past, the subject of witch trials is a factor that tends to make it more difficult to keep tabs on arms exports."

He gave a lecture on the historical background of witch trials and on similar today.

THE ARMS TRADE

Our charged over alleged illegal exports

executives of the Düsseldorf manufacturers Rheinmetall charged in connection with illegal arms exports. The affair has been going the for five years.

In 1970s the four accused exported arms and equipment with Bonn government permission to Italy, Spain and

the goods finally found their way, in part, to white Rhineland. They have been most unlikely to have been the go-ahead by Bonn.

ammunition filling plant ended South Africa, about 1,000 machine guns went to Saudi Arabia and rough double-barrelled 20-mm field guns found their way to Argentina.

Some of the field guns, officially for Spain, were captured by British the Argentinian forces on the Falklands.

Rheinmetall case has once again drawn the attention of a wider circle of shady dealing in international shipments.

paths deliveries taken as a rule are complicated, and finding out what got where is made even more complicated by government complicity.

When Argentina ordered two submarines from a German shipyard it did so on condition that it was allowed to build four more, slightly smaller submarines at Argentine shipyards with the aid of German know-how.

They insisted on similar terms in connection with their order of the two frigates from Blohm & Voß in Hamburg.

Howaldtswerke-Deutsche Werft, also of Hamburg, agreed to comparable terms with India in 1981, building two submarines in Germany and allowing two more to be built in India.

Since 1980 Argentina has built under licence from Thyssen-Henschel the TAM and VCTP battle tanks, both of which contain parts supplied by virtually all major German arms manufacturers.

The engines are made by MTU, a jointly-owned subsidiary of MAN and Daimler-Benz. The transmission unit is made by Renk, a Guterhoffnungsbetriebe subsidiary.

AEG supply the electronics, Zeiss the optics, Diehl the tracks and Thyssen the special steel.

Experts are afraid that tanks manufactured under licence in Argentina may soon find their way to other non-Nato countries.

Even when arms and equipment made in Germany are sold to Nato and other countries that are not felt to be in any way untrustworthy there can be no guarantee they might not end up somewhere undesirable.

Arms dealers almost always operate in a manner that is not strictly legal, while many countries strictly refuse to consider terms which stipulate that they cannot re-export arms they buy.

They argue that any such provision is an inroad into their sovereignty. Countries that use this argument include Israel, which handles 25 per cent of the arms trade with the Third World.

Britain and France, which are Bonn's main partners in the arms trade, likewise refuse as a rule to agree not to re-

All three systems are marketed from Franco by Euromissile, a Franco-German company. They include parts manufactured by Messerschmitt-Bölkow-Blohm and others.

Even if the Saudi Arabians are not allowed to buy the Leopard tank, the US-made alternative model is equipped with a Rheinmetall gun.

There is even a German connection in respect of the Exocet missiles that knocked out the destroyer Sheffield in the Falklands war.

They were fired by Argentinian pilots of Mirage jets and, like the Mirage, were French-made. But they are said to have been equipped with Messerschmitt-Bölkow-Blohm detonators.

Keeping an eye on which weapons are supplied to whom is made more difficult still by manufacture under licence and the export of entire ordnance factories.

The G3 rifle, manufactured by Heckler & Koch, is currently made under licence in Iran, Pakistan, Saudi Arabia, Thailand and Brazil too.

Experts estimate that over 60 armies around the world are equipped with the G3, and manufacture under licence is growing increasingly widespread for larger weapons.

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No knocking spots off this one... the Leopard Mk 2. (Photo: Sven Simon)

export arms bought from Germany to other countries.

The only deals for which consultations are required are sales of arms and sensitive technology to the East Bloc. They are subject to Cocom regulations, which are binding on Nato countries and Japan.

Legal proceedings in respect of illegal arms exports can be as problematic as keeping a check on where the arms go.

Most legal experts are agreed that the German legal provisions fail to clearly state where legality ends and illegality begins.

Jürgen Waldowski, a Düsseldorf lawyer who works as a consultant to Rheinmetall, makes subtle distinctions in connection with a shipping certificate issued by Bonn.

The certificate, which amounts to an arms export licence, is not null and void merely because the supplier was subsequently discovered to have submitted inaccurate information about the country of destination.

This "slip of the pen" is not, he argues, a criminal offence. It is merely a minor offence for which a fine of up to DM10,000 may be imposed.

There is no way, as the law stands, in which it can be said after the event to have been a criminal misdemeanour. It would only have been a criminal offence if no permit had been issued.

This is the charge levelled by the Düsseldorf public prosecutor's office in its proceedings against the Rheinmetall executives.

But because the evidence includes classified documents the proceedings are being held in camera.

The public prosecutors are clearly unmoved by the fact that Rheinmetall applied for and was issued with valid shipping documents for the orders in question.

They are convinced that documents found when police searched Rheinmetall's offices two years ago prove the management knew beforehand that shipments were intended for destinations other than the ones they stated.

The prosecution's case is based on more than vague suspicions. If the reaction of the Düsseldorf district court is any guide.

After studying the submission for three weeks the court ruled that arrest warrants for the accused on grounds that they were likely to decamp were entirely justified.

They were released on bail, but Rheinmetall had to stand surety for DM22m and the four accused had to raise a further DM770,000 before they were released.

Hans Otto Eglau
(Die Zeit, 2 September 1983)

Swiss opt for German tank

Bonn has won a tank battle against Washington now Switzerland has decided to buy the Munich-built Leopard tank rather than the American M-1.

The Swiss plan to buy 420 Leopard Mk 2s over a period of 15 years. The contract is worth 4.5bn francs, or roughly DM5.5bn at today's prices.

They are buying the first 35 off the peg from the German manufacturers. The remainder will be manufactured under licence by Contraves, a subsidiary of the Swiss arms multi, Bührle AG.

Two prototypes of each model were put through their paces in the Swiss mountains over a trial period of two years.

Fire power, mobility and protection were the main criteria, and this is how the two are said to have compared:

● The Leo 11 is superior in fire power. It has a 120-mm smooth-bore gun, whereas the M-1 still has a conventional 105-mm Nato tank gun.

● The German tank is likewise better in mobility, transmission reliability and chassis. At high speed one of the M-1s twice got out of control.

● The two tanks are roughly equal in the ballistic and armour protection they provide.

Swiss militiamen, who are reservists and not regular soldiers, surprisingly took only three weeks to learn how to handle the sophisticated Leopard.

But the Swiss would like to see several changes made to the model they are to have. Their Leopard is to be fitted out with a digital computer, capable of handling the calculations for a wider range of ammunition.

Hundreds of German companies will supply parts and systems for the Swiss firm that will be manufacturing the tank under licence.

Yet a Swiss-made Leopard will still be much less expensive than an M-1 manufactured under licence.

The German Bundeswehr has ordered 1,800 Leopard 2s. A further 445 have been ordered by the Dutch army. About 1,500 companies are working on the contract.

A spokesman for the main contractor, Krauss-Maffel of Munich, said the Swiss government's decision, which has yet to be given parliamentary approval, was most encouraging.

But more jobs were unlikely to result. "We still have leeway," he says. "We are not working flat-out."

dpa
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